

HASHEMITE KINGDOM OF JORDAN



DRAFT COMPREHENSIVE ANNUAL FINANCIAL REPORT OF BUDGETARY ENTITIES FOR 2010

Issued by

Minister of Finance

Summary of Economic and Fiscal Performance for 2010

In light of the global economic and financial crisis that negatively affected the economies of most developed countries, and whose consequences impacted other countries in the world, including Jordan, governments worldwide undertook strict corrective measures to deal with imbalances resulted from the crisis. The global crisis was accompanied with increased governmental expenditures, thus leading to a big increase in Jordan's general budget deficit that exceeded JD 1.5 billion in 2009.

The most important actions taken in Jordan are represented in controlling public expenditures, especially current expenditures, by having all governmental agencies reduce their current expenditures by 20% of their operational expenditures. Moreover, vehicle and furniture procurement was stopped, and new employment was frozen, except for the Ministry of Education and the Ministry of Health. Furthermore, costs of travel and hospitality were reduced, and water, electricity, telephone, fuel and other costs were decreased without negatively affecting the level of services provided for the citizens.

In 2010, the Jordanian government also took a number of measures aiming at promoting a number of economic sectors. Land registration fees and property sale tax were reduced by 50% to improve activity in the real estate market, and increase the volume of local and foreign investments in this sector, which is strongly interrelated with various economic sectors. In the same context, residential real estates were fee-exempt for the first 150 m². The exemption is not limited to transactions implemented by housing companies, but it further extends to cover sales operations carried out between citizens themselves. The retention period of a real estate was also reduced for investment companies with a view to enabling them to have liquidity needed for their businesses.

In the transportation sector, a minimum fee was established for transferring goods via trucks for six months in order to operate and organize the public transportation fleet. Moreover, in order to provide farmers with required funding, the capital of the Agricultural Credit Corporation was increased from 35 to 50 million dinars. In terms of export promotion, the government extended full goods and services exemption from the income tax for an indefinite period. Various sectors benefited from such exemption, especially industry as well as IT and software sectors.

With a view to enhancing the standard of living for the citizens, the government took a number of measures that had a direct effect in this respect. For example, it reduced public transportation fees through subsidizing transportation for university students, increased allocations for the Needy Student Fund and National Aid Fund, and expanded the School Nutrition Program.

The urgent measures taken by the government in 2010 contributed to many positive results achieved by our national economy. The gross domestic product at real prices grew by 3.1% in 2010 compared to 2.3% in 2009. This was accompanied with the reduction of the unemployment rate to reach 12.5% in 2010 compared to 12.9% in 2009.

This is attributed to improvement in domestic demand, both consumption and investment, in 2010 compared to 2009. Such improvement is due to the positive developments in the local investment environment and to the growth in credit facilities granted by banks to the private sector. They increased by 8.5% at the end of 2010 compared to a growth that did not exceed 2.1% in 2009. Furthermore, the improved economic performance is due to improvement in external demand for the Kingdom's goods and services in light of economic recovery in the region in particular and world countries in general.

As for foreign trade and the balance of payments, the Kingdom's exports surged by 17.8% in 2010 while decreased by 19.2% in 2009. Imports also increased by 7.2% while decreased by 16.2% in 2009. These are clear indicators for the improvement in the economic activity, and the recovery of the national economy from the global crisis and its repercussions.

The current account of the balance of payments registered a deficit of 835,8 million dinars in 2010 compared to 802,4 million dinars in 2009. The ratio of the deficit to GDP was 4,3% in 2010 compared to 4,5% in 2009, as a result of the increase in imports of crude oil and its derivatives as well as foodstuff in 2010. This resulted from the significant increase of commodity prices in international markets.

According to available data, the Kingdom's bill for imported crude oil and its derivatives increased to 1,987 million dinars in 2010 compared to 1,396 million dinars in 2009, registering an increase of 42,3% approximately. On the other hand, the bill for imported foodstuff reached around 1,541 million dinars with an increase of 53 million dinars, i.e. 3,5% in 2010.

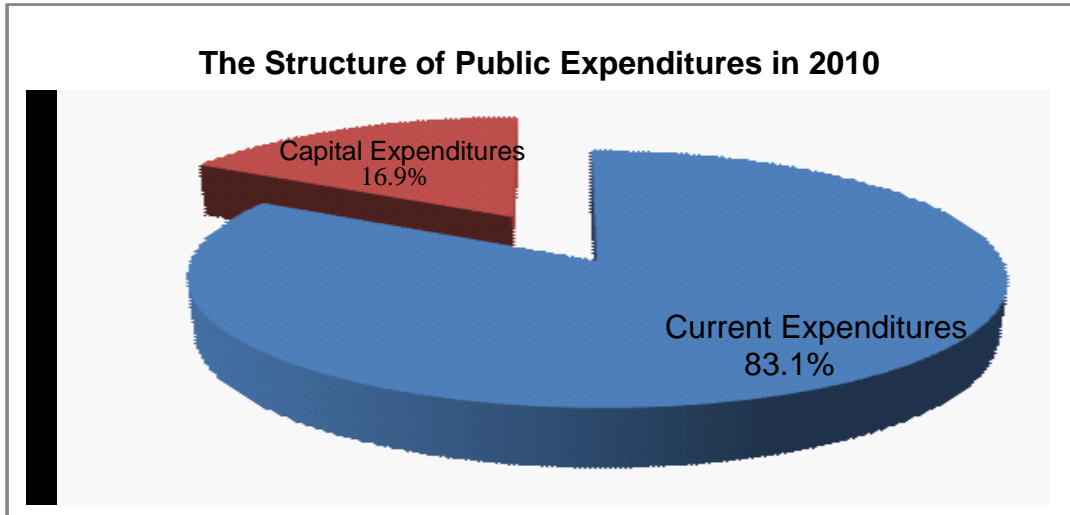
The Kingdom's inflation rate was affected by these changes. It reached around 5.0% in 2010. Examining its components, it is noted that the prices of "foodstuff" group increased by 5,0%, while prices of "other goods and services" increased by 6,3%, and "housing" increased by 4,2%. However, the increase in prices of "clothes and shoes" did not exceed 1,9%.

With regard to monetary developments, data issued by the Central Bank indicate that local liquidity grew by 11,5% at the end of 2010 compared to 9,3% at the end of 2009. The increase in local liquidity during this year came mainly as a result of the increase in net domestic assets that increased by 9,8% compared to a 0,6% decrease in 2009. This indicates the increase in the contribution of the banking system in funding various economic activities through credit facilities provided to both public and private sectors alike during 2010.

The Central Bank continued to maintain a convenient level of foreign currency reserves that increased to more than 12,2 billion dollars at the end of 2010, with an increase of 1,360 million dollars, i.e. 12,5% compared to their level in 2009. They covered more than eight months of the Kingdom's imports of goods and services.

With respect to the public finance and public debt, the government paid significant attention to this sector, aiming at restoring the balance of the public finance that is considered a main pillar of sustainable development, especially after the 2009 fiscal deficit exceeded safety limits. The government was able to reduce the fiscal deficit by half a billion dinars approximately, i.e. 30.6% compared to its level in 2009. The deficit thereby reached 1,046 million dinars in 2010, forming a 5.4% of GDP. It was reduced by more than 3 percentage points of GDP compared to its level in 2009, thanks to all continuous efforts exerted in this field.

Public expenditures fell down by 5.3% compared to their level in 2009 to reach 5,708.2 million dinars, i.e. 29,2% of GDP compared to 33,9% in 2009. This reduction was a result of the decrease in capital expenditures by 33,4% and the increase in current expenditures by 3,5% compared to their levels in 2009.



The decrease in capital expenditures in 2010 indicates that they turned back to their normal level, whether in absolute numbers or as a percentage of GDP. However, the increase in current expenditures in 2010 is mainly attributed to the increase in teacher salaries by 25%, increased financial allocations to cover the university study costs for children of teachers admitted to public universities, and increased gas subsidy allocations to expand the middle-income segment and protect the poor.

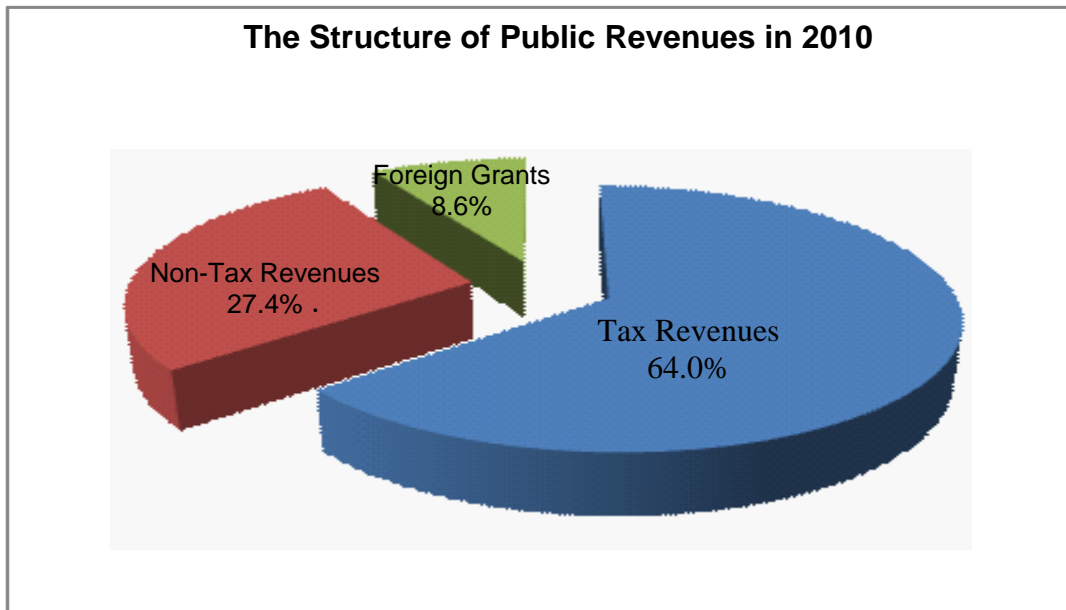
Domestic revenues have increased by 1.7% in 2010 compared to its registered level in 2009. This came mainly as a result of the increase in sales tax by 17,6% compared to its level in 2009, on the one hand, and the decrease in the revenues of income tax and profits by 18,3%, and “property sales tax and land registration fees” by 5,0%, on the other hand.

The main reason for the reduction of income tax revenues in 2010 is the decrease in the profits of public shareholding companies in 2009, especially banks, due to the consequences of the global financial crisis. However, the increase in sales tax revenues is due to measures taken in 2010. One of the main measures is the increase in special sales tax on certain non-staple commodities such as tobacco, cigarettes, alcoholic drinks, mobile phones, e-tracking, international calls, and gasoline.

In the same regard, the government took into consideration to accompany such actions with some measures to protect the poor and expand the middle-income segment. Therefore, the government increased subsidies for bread and gas in light of increase in global prices, and maintained the exemptions of basic foodstuffs as they have a direct impact on a wide range of segments in the society.

Furthermore, the new Income Tax Law reduced taxes imposed on all taxpayers, especially individuals. It also contributed to increasing the purchasing power of this large segment of citizens that, in turn, contributed to protecting both middle- income and the poor segments equally.

The new Income Tax Law also contributed to promoting investment and addressing bottlenecks in some national economic sectors to enable them to achieve high growth rates. This was accomplished through decreasing income tax by different percentages for all companies working in several economic sectors. In addition, income derived from exports continued to be exempted. Sales tax was also reduced for hotel rooms from 16% to 8% with a view to promoting the tourism sector and increasing its contribution to GDP.



In light of developments of the public finance, the net public debt has reached around 11,462.8 million dinars at the end of 2010, i.e. 58,7% of GDP compared to 9,660 million dinars, i.e. 54,2% in 2009. This debt is divided to 60% for net domestic debt and 40% for foreign debt.

In this regard, the government borrowed about 750 million dollars in November this year through floating bonds in the international market. The coverage surpassed the volume of bonds floated by 324%, and the interest rate did not exceed 3.875%. This reflects foreign investors' trust in the Jordanian economy, and the attraction of the local investment environment.

There is no doubt that such borrowing, in addition to its positive effects on foreign investment flows to the Kingdom, contributes to help the private sector to obtain funding from the local banking institutions, and avoid competition with the public sector in this area.

Developments in Main Economic Indicators

Indicator	2009	2010
GDP growth at constant prices	2,3%	3,1%
Inflation rate	- 0,7%	5,0%
Unemployment rate	12,9%	12,5%
Growth of domestic exports	-19,2%	17,8%
Growth of imports	-16,2%	7,2%
Bill of crude oil & its derivatives (million dinars)	1,396	1,987
Current account deficit as a percentage of GDP	- 4,5%	-4,3%
Growth of domestic liquidity	9,3%	11,5%
Official foreign currency reserves (billion dollars)	10,9	12,2

Indicator	2009	2010
Growth of credit facilities granted by commercial banks	2,1%	8,5%
Public expenditures (million dinars) As a percent of GDP	6,030.6 33,9%	5,708.2 29,2%
Public revenues (million dinars) As a percent of GDP	4,521.3 25,4%	4,661.8 23,9%
General budget deficit (million dinars) As a percent of GDP	-1,509.3 8,5%	-1,046.4 5,4%
Foreign debt (million dinars) As a percent of GDP	3,869.0 21,7%	4,610.8 23,6%
Domestic debt (million dinars) As a percent of GDP	5,791.0 32,5%	6,852.0 35,1%

Management Discussion and Analysis of Financial Statements

Introduction

The Ministry of Finance/ Public Accounts Directorate developed its Final Account for 2010, which includes actual financial statements of the public finance in the General Budget Law for 2010 and Budget Supplementary Law for 2010. The final account aims at stating budget accounts and the results of their implementation for the previous fiscal year, in accordance with approved criteria. The following table shows the most important items in the Final Account for 2010:

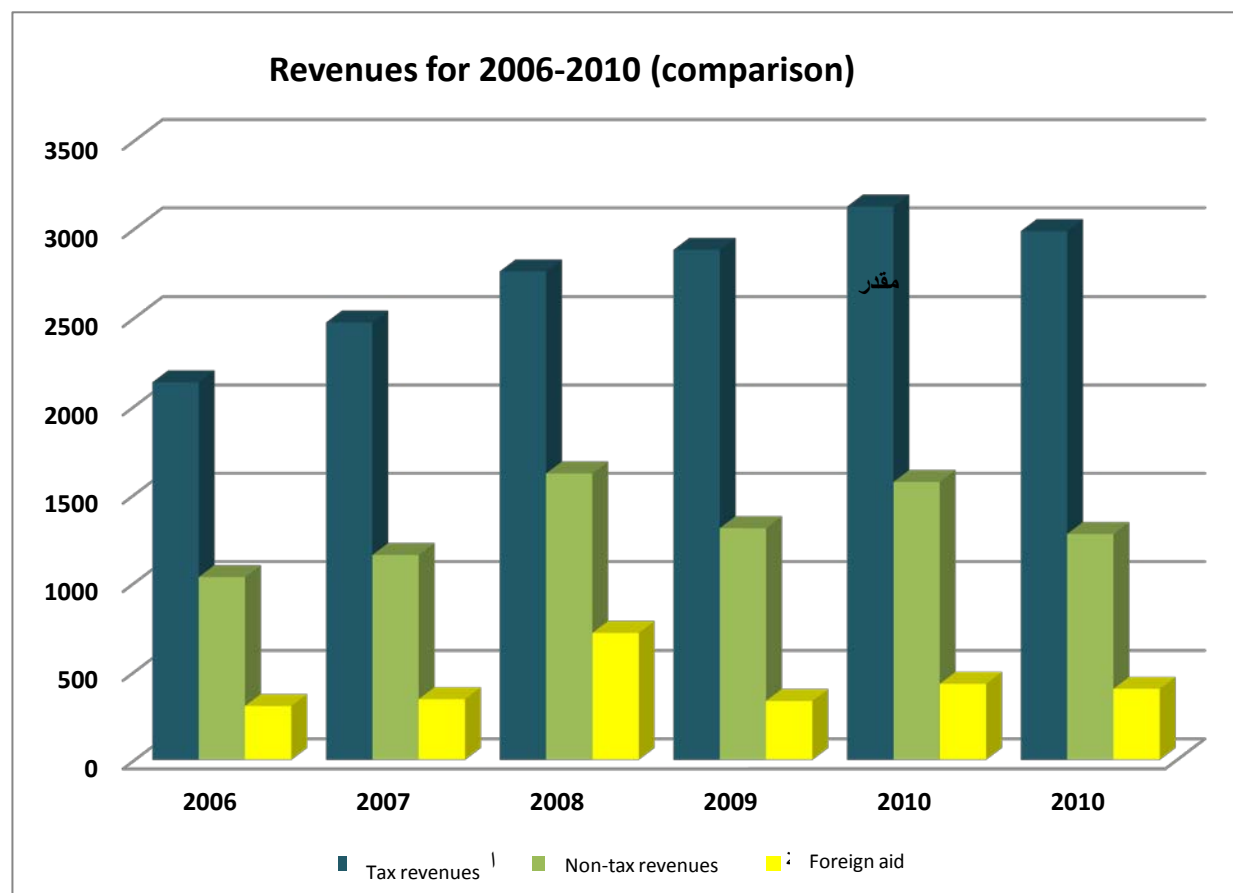
in millions						
	Estimated	Supplement 1	Supplement 2	Total	Actual	Deviation
Revenues	4,775.1	0.0	350.0	5,125.1	4,662.8	462.3
Expenditures	5,460.2	160.0	350.0	5,970.2	5,708.0	262.2
Deficit	-685.1	-160.0	0.0	-845.1	-1,045.2	200.1
Funding resources	5,360.1	160.0	0.0	5,520.1	5,142.6	377.5
Repayments	4,675.0	0.0	0.0	4,675.0	4,212.7	462.3
Deficit before funding	685.1	160.0	0.0	0.0	-115.3	115.3

I. Public Revenues

Total actual public revenues were 4662.8 million dinars in 2010. However, the General Budget Law estimate was 5125.1 million dinars, registering a decrease of 462.3 million dinars (9%). The table below shows public revenue items for 2006-2010.

Table 1: Revenues for 2006-2010

in millions						
	2006	2007	2008	2009	2010	2010
	actual	actual	actual	actual	estimate	actual
Tax revenues	2,133.5	2,472.1	2,758.1	2,880.0	3,125.5	2,986.0
Non-tax revenues	1,030.8	1,156.0	1,617.3	1,307.9	1,569.6	1,275.0
Foreign aid	304.6	343.4	718.3	333.4	430.0	401.8
Total	3,469.0	3,971.5	5,093.7	4,521.3	5,125.1	4,662.8



II. Public Expenditures

Total actual public expenditures were 5708 million dinars in 2010. However, the General Budget Law estimate for 2010 was 5970.2, registering a decrease of 262.2 million dinars (4,6%). The table below shows actual expenditures for 2006-2010.

Table 2: Expenditures for 2006-2010 (comparison)

in millions

	2006	2007	2008	2009	2010	2010
Public expenditures	actual	actual	actual	actual	actual	actual
Current Expenditures	3,066.3	3,697.4	4,473.4	4,586.0	4,936.7	4,746.6
Capital expenditures	794.1	842.6	958.5	1,444.6	1,033.5	961.4
Total	3,860.4	4,540.1	5,431.9	6,030.6	5,970.2	5,708.0

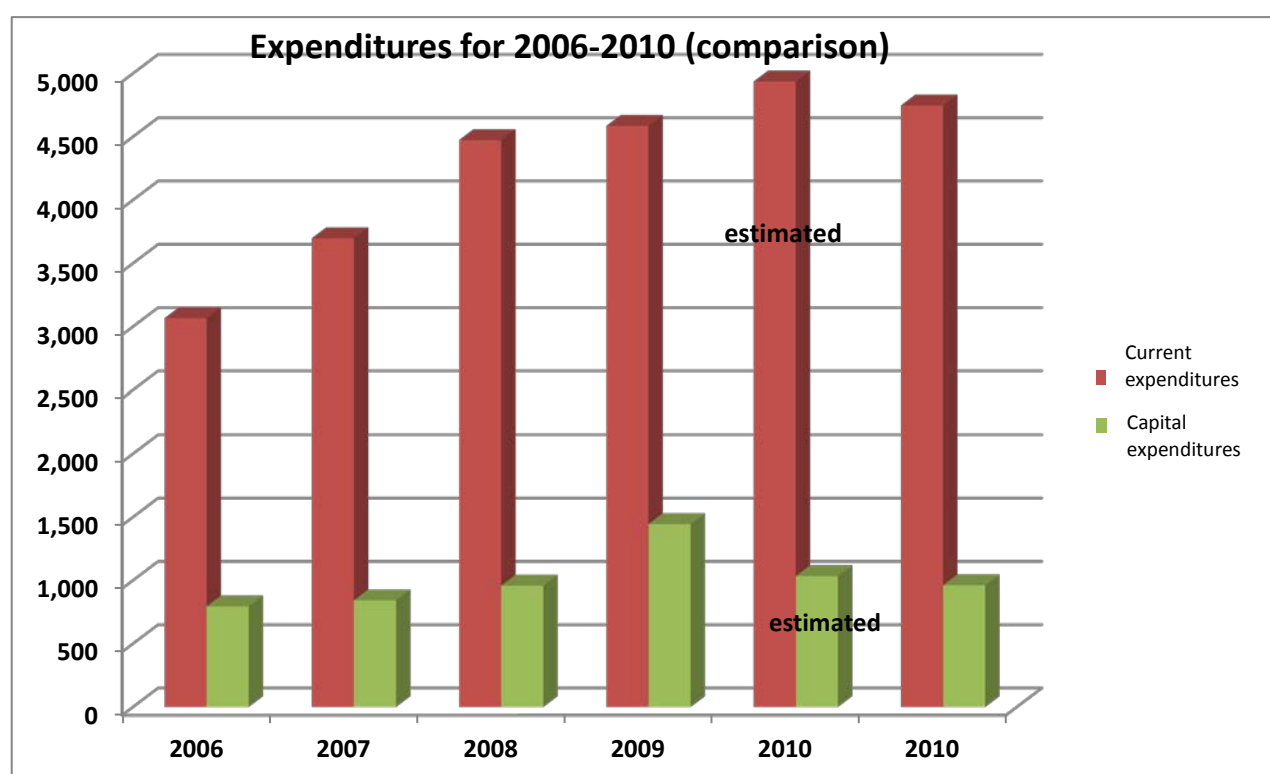
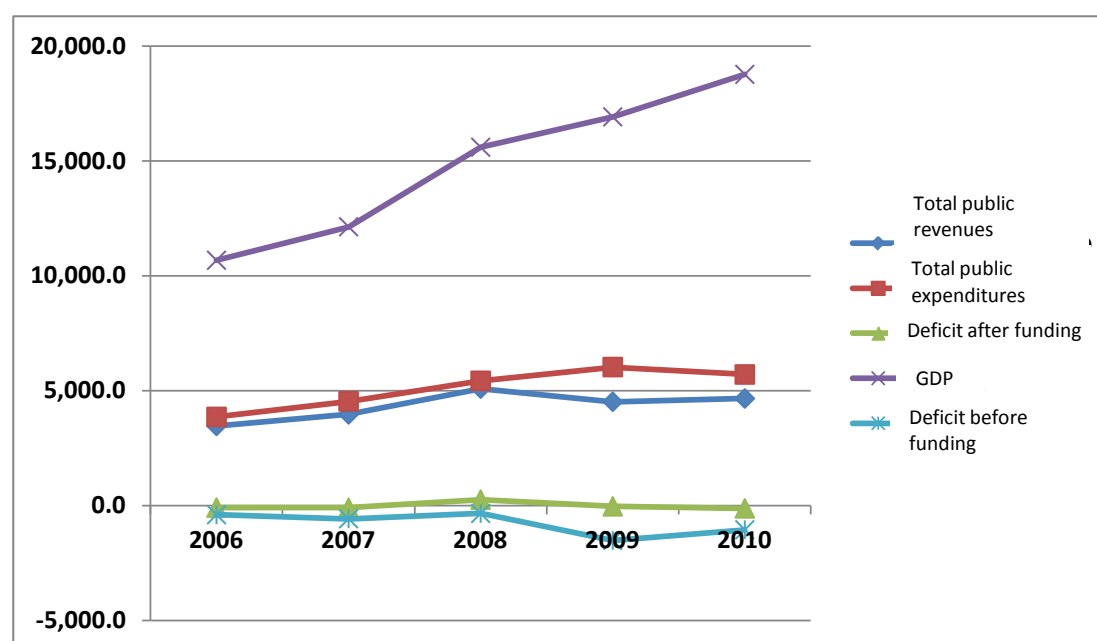


Table 3: Comparison between Revenues, Expenditures for 2006- 2010

Year	in millions					
	2006 actual	2007 actual	2008 actual	2009 actual	2010 estimate	2010 actual
Public Revenues						
Tax revenues	2,133.5	2,472.1	2,758.1	2,880.0	3,125.5	2,986.0
Non-tax revenues	1,030.8	1,156.0	1,617.3	1,307.9	1,569.6	1,275.0
Foreign aid	304.6	343.4	718.3	333.4	430.0	401.8
Total	3,469.0	3,971.5	5,093.7	4,521.3	5,125.1	4,662.8
Public Expenditures						
Current expenditures	3,066.3	3,697.4	4,473.4	4,586.0	4,936.7	4,746.6
Capital expenditures	794.1	842.6	958.5	1,444.6	1,033.5	961.4
Total	3,860.4	4,540.1	5,431.9	6,030.6	5,970.2	5,708.0
Deficit before funding	-391.4	-568.6	-338.2	-1,509.3	-845.1	-1,045.2
Funding resources	618.4	776.9	4,069.0	4,839.8	5,520.1	5,142.6
Repayments	307.9	296.6	3,465.2	3,357.4	4,675.0	4,212.7
Deficit after funding	-80.9	-88.3	265.6	-26.9	0.0	-115.3
GDP	10,675.4	12,131.4	15,593.4	16,912.2	0.0	18,762.0

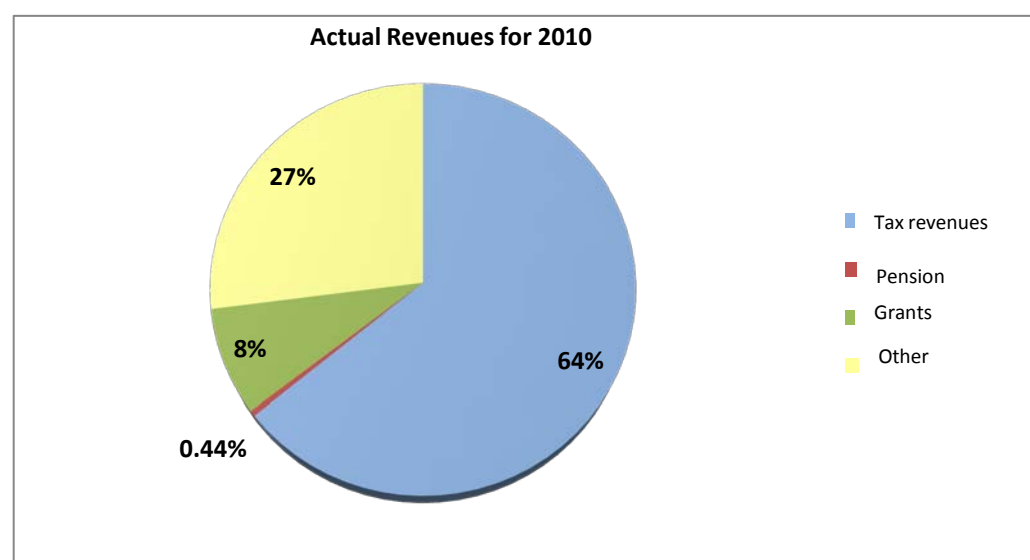
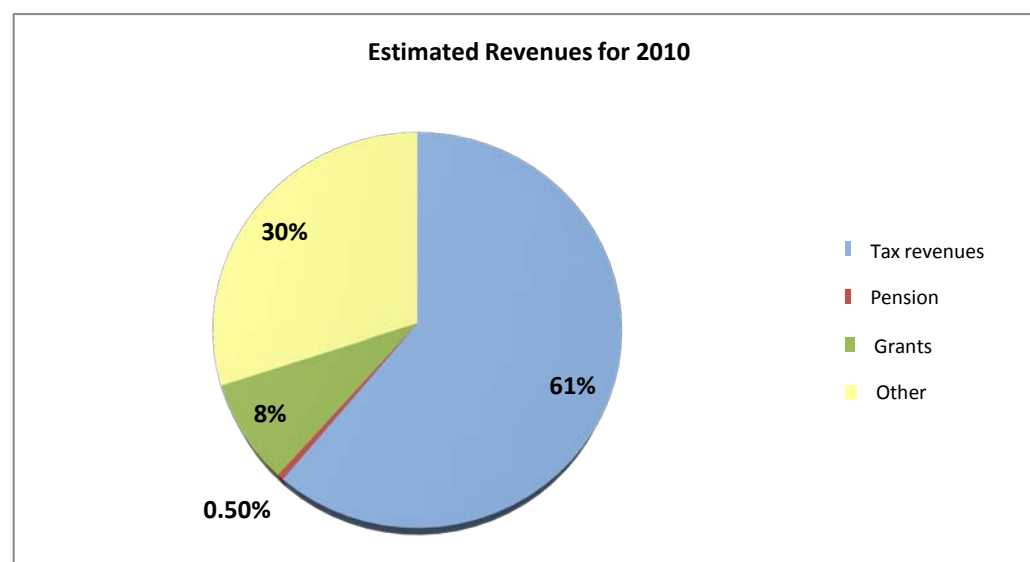


III. Financial Deficit/ Savings

In accordance with public financial statements for 2010, the financial deficit reached about 1045.2 million (5.57%) of GDP that amounts to 18,762, as published by the Department of General Statistics. Some of the deficit was funded by internal loans (4413 million dinars) and external loans (729.2 million dinars).

Public Revenue

Total actual public revenues were 4662.8 million dinars in 2010. However, the General Budget Law estimate was 5125.1 million dinars, registering a decrease of 462.3 million dinars (9%).



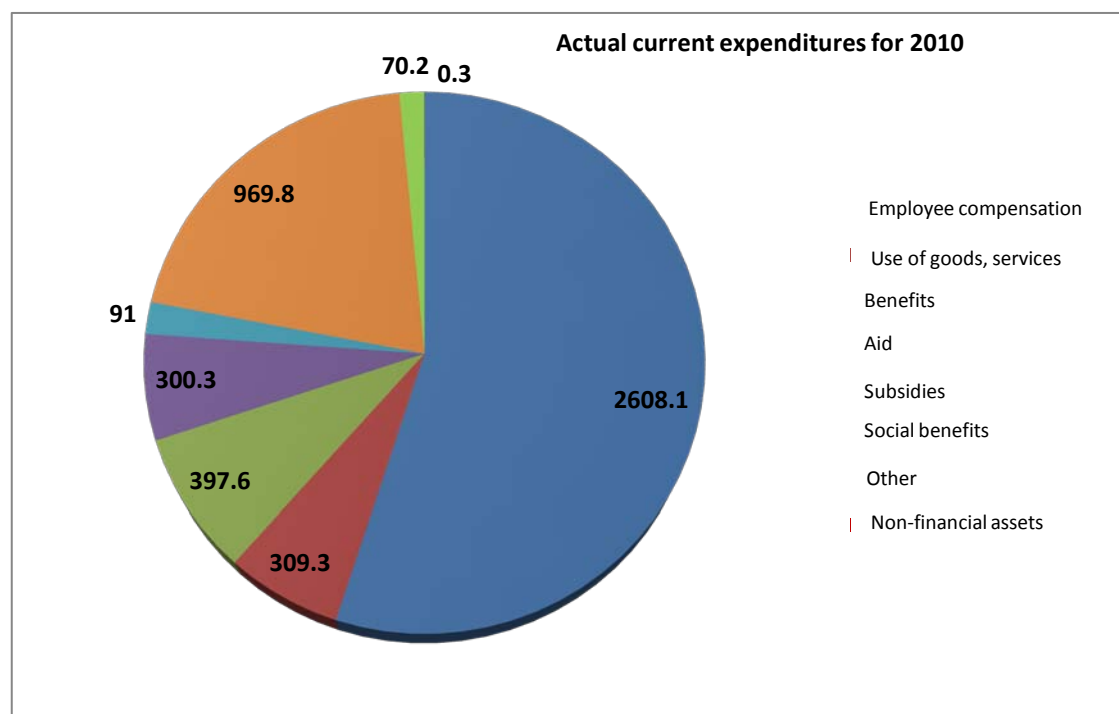
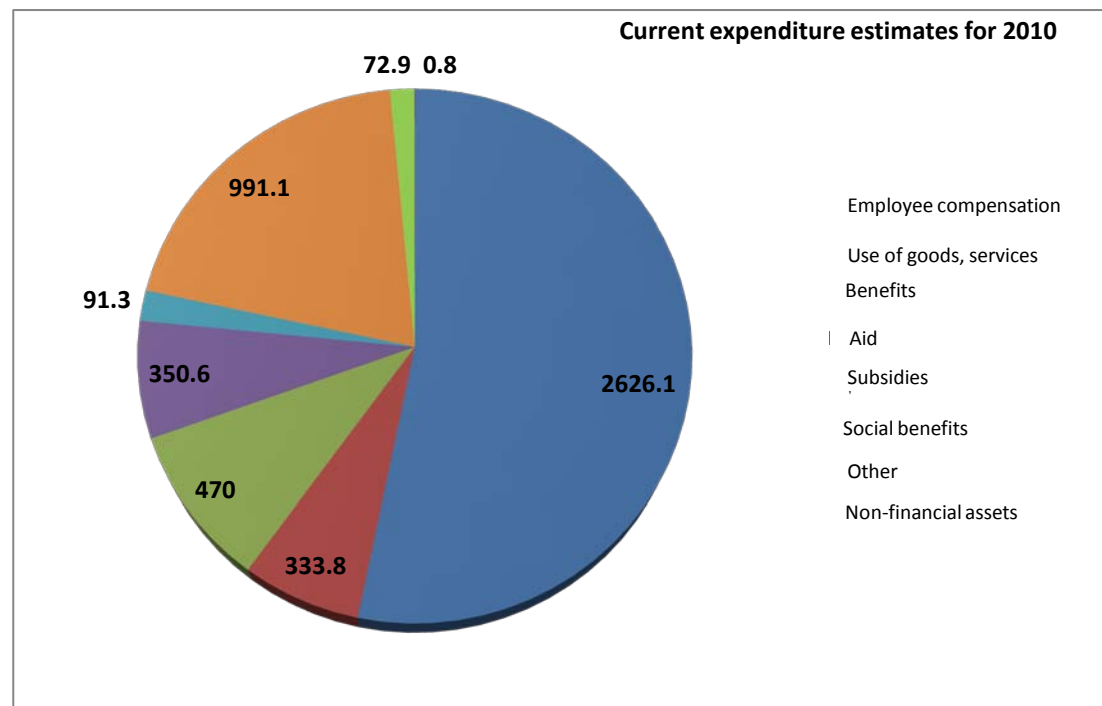
As the pie graph shows, tax revenues have the lion share of public revenues for 2010. Tax revenues estimate in the General Budget Law was about 3125.4 million dinars while actual tax revenues were about 2986 million dinars. Other revenues estimated in the General Budget Law amounted to 1546.5 million dinars, while the actual amount was about 1254.3 million dinars. Estimated foreign grants were about 430 million dinars; however, the actual amount was about 401.8 million dinars.

Public Expenditure

Total actual public expenditures were 5708 million dinars in 2010. However, the General Budget Law estimate for 2010 was 5970.2. Estimated current expenditures were about 4936.6 million dinars, however, the actual amount was about 4746.6 million dinars.

Economic classification of current expenditures for 2010

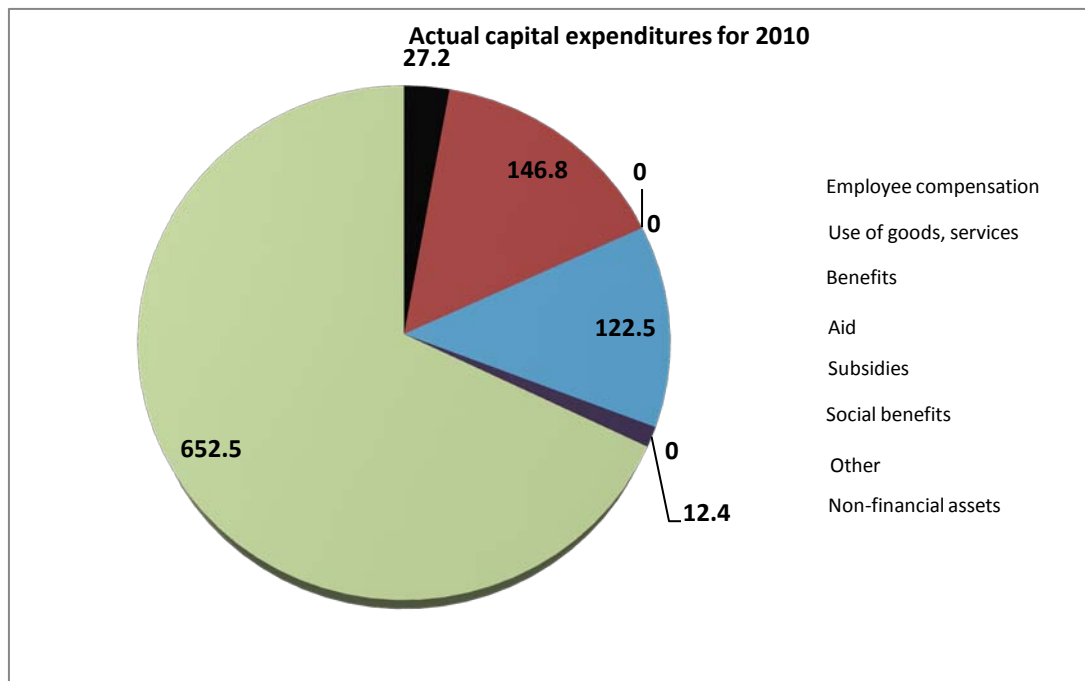
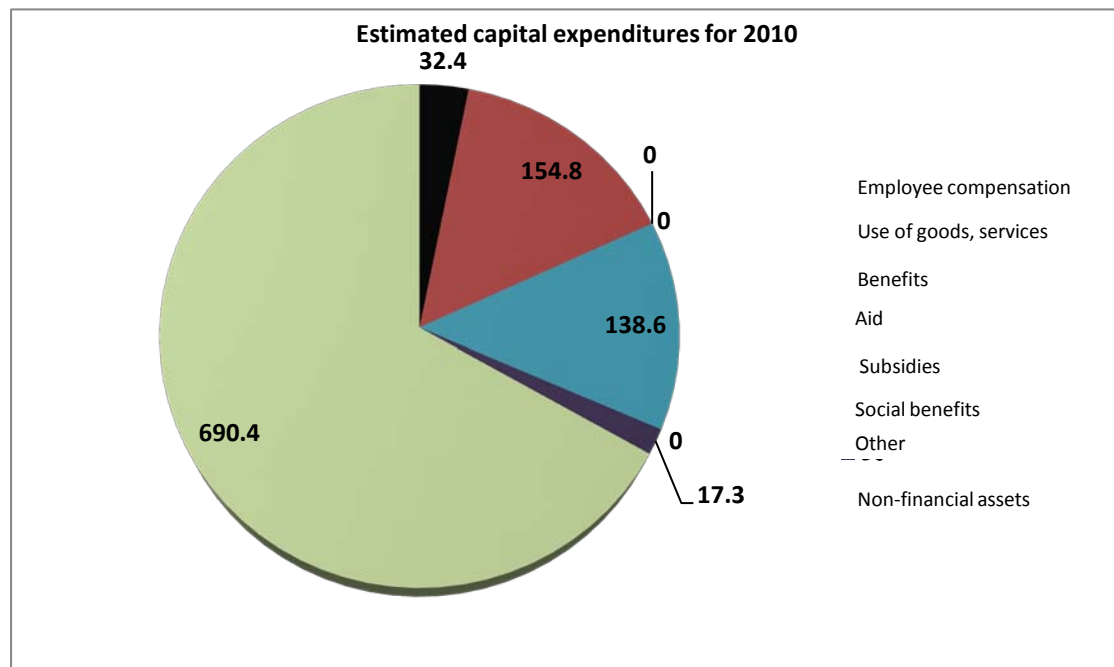
Sector	Economic Class	Estimated	Actual
21	Employee compensation	2626.1	2608.1
22	Use of goods and services	333.8	309.3
24	Benefits	470	397.6
25	Aid	350.6	300.3
26	Subsidies	91.3	91
27	Social benefits	991.1	969.8
28	Other expenditures	72.9	70.2
31	Non-financial assets	0.8	0.3
	Total	4936.6	4746.6



Total capital expenditure estimate for 2010 was about 1033.5 million dinars; however, the actual amount was about 961.4 million dinars.

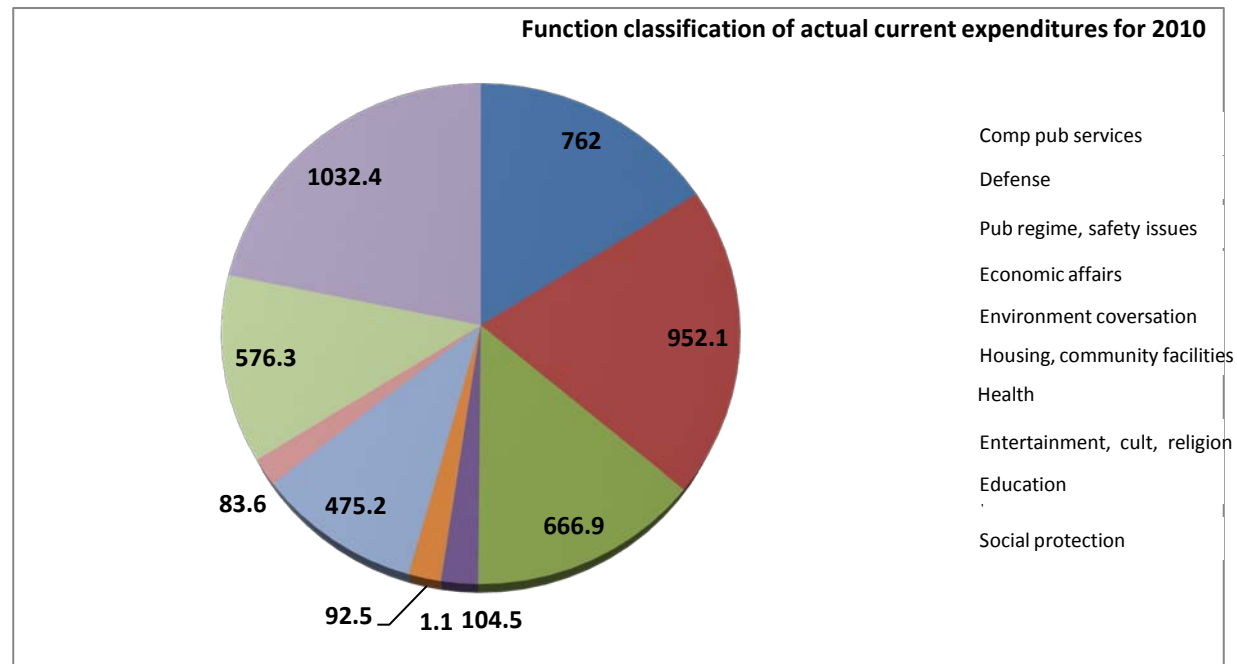
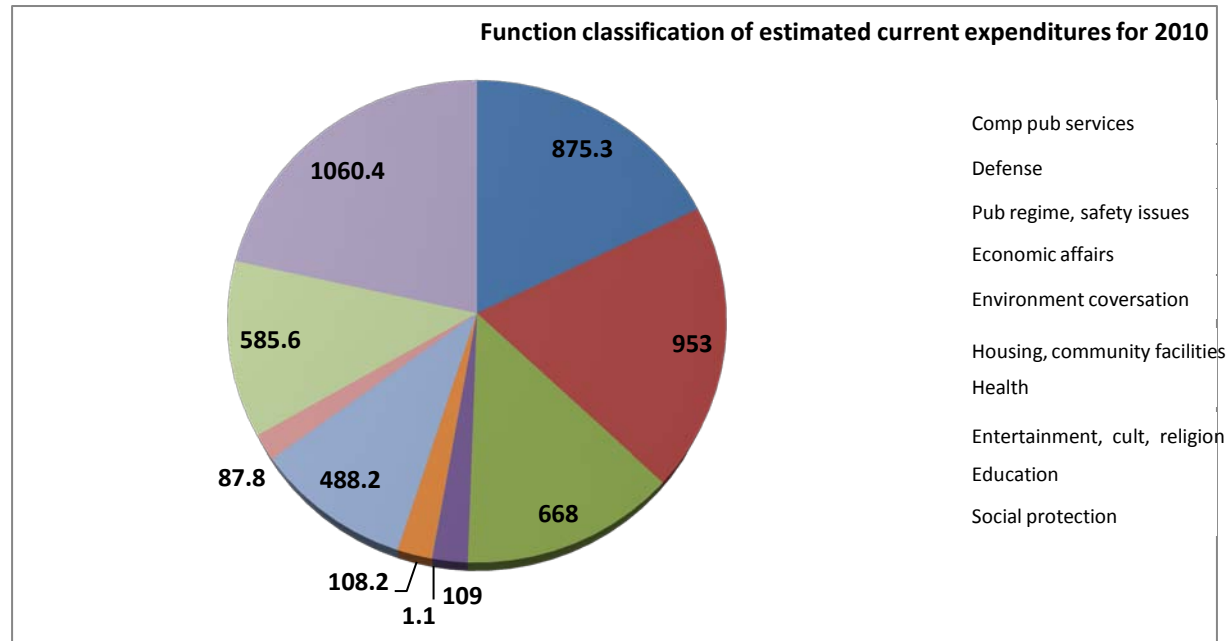
Economic classification of capital expenditures for 2010

Sector	Economic Class	Estimate	Actual
21	Employee compensation	32.4	27.2
22	Use of goods and services	154.8	146.8
24	Benefits	0	0
25	Aid	0	0
26	Subsidies	138.6	122.5
27	Social benefits	0	0
28	Other expenditures	17.3	12.4
31	Non-financial assets	690.4	652.5
	Total	1033.5	961.4



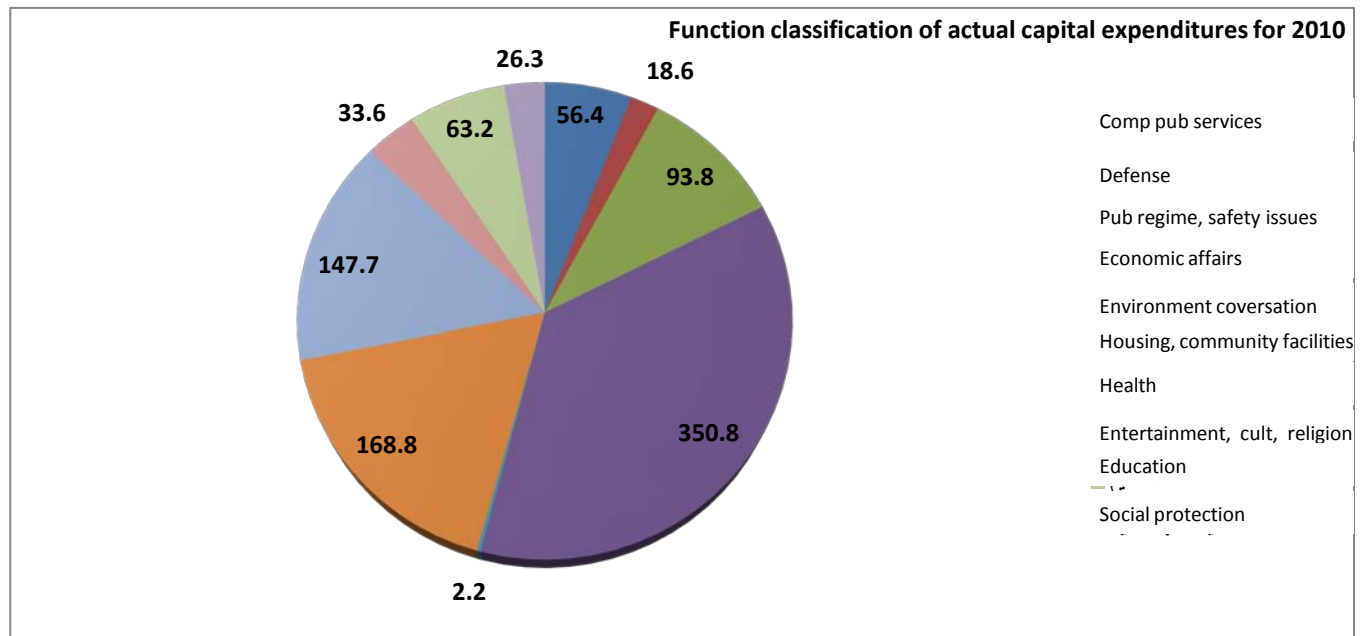
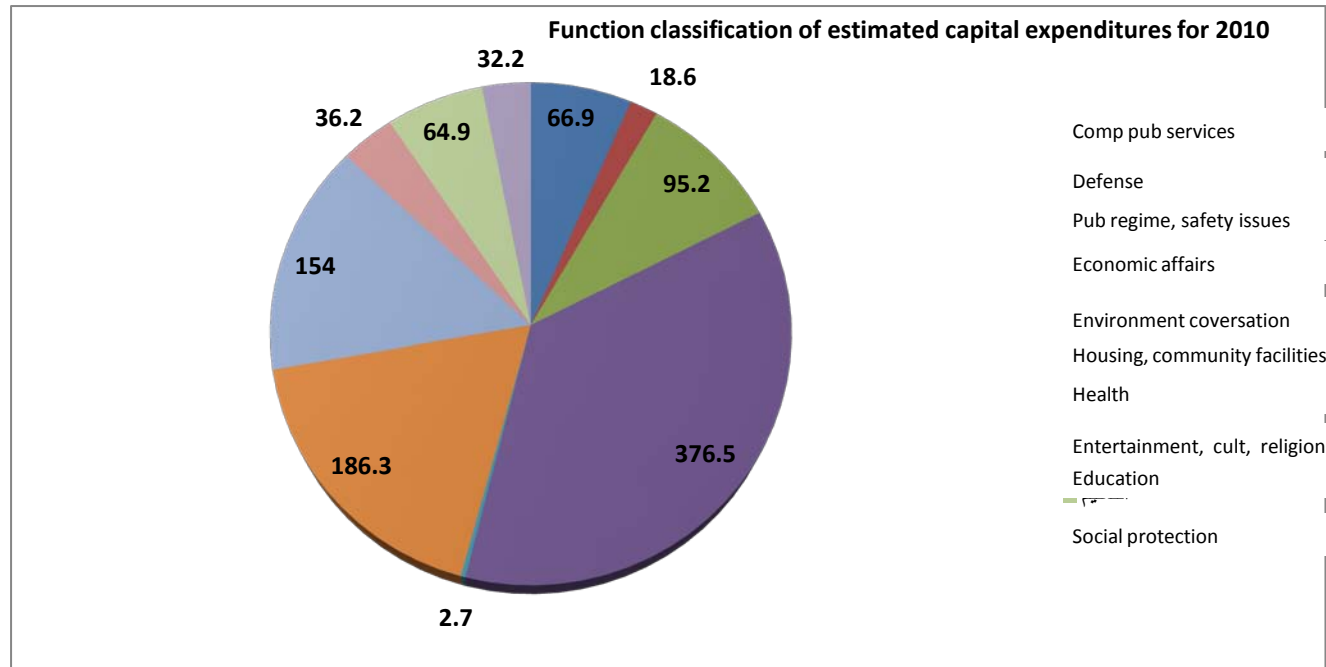
Function classification of current expenditures for 2010

Sector	Functional Class	Estimate	Actual
701	Comprehensive public services	875.3	762
702	Defense	953	952.1
703	Public regime and safety issues	668	666.9
704	Economic affairs	109	104.5
705	Environment conversation	1.1	1.1
706	Housing and community	108.2	92.5
707	Health	488.2	475.2
708	Entertainment, culture & religion	87.8	83.6
709	Education	585.6	576.3
710	Social protection	1060.4	1032.4
	Total	4936.6	4746.6

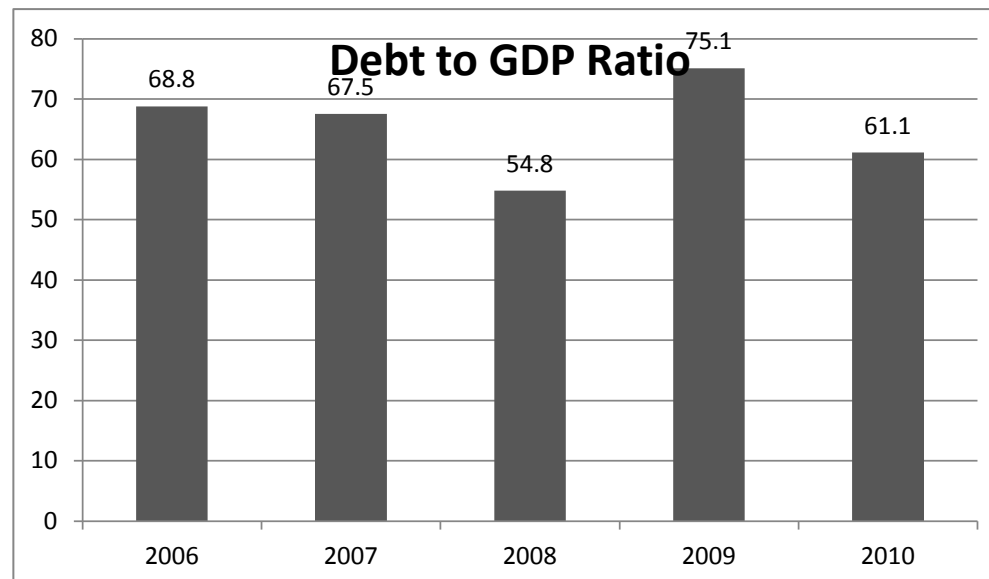


Function classification of capital expenditures for 2010

Sector	Functional Class	Estimate	Actual
701	Comprehensive public services	66.9	56.4
702	Defense	18.6	18.6
703	Public regime and safety issues	95.2	93.8
704	Economic affairs	376.5	350.8
705	Environment conversation	2.7	2.2
706	Housing and community facilities	186.3	168.8
707	Health	154	147.7
708	Entertainment, culture & religion	36.2	33.6
709	Education	64.9	63.2
710	Social protection	32.2	26.3
	Total	1033.5	961.4



IV. Debt to Gross Domestic Product (GDP) for the past five years is shown below:



The Hashemite Kingdom of Jordan
Budget to Actual Comparative Statement on a Cash Basis
For Budgetary Entities Only
Year Ended December 31, 2010

(in Jordanian Dinars)	Original Budget	Final Budget	Actual Amount	Difference Between Final and Actual
INFLOWS				
Taxes	3,020,459,000	3,125,459,000	2,985,975,493	-139,483,507
Grants	330,000,000	430,000,000	401,793,033	-28,206,967
Pensions	23,150,000	23,150,000	20,694,436	-2,455,564
Other Receipts	1,401,476,000	1,546,476,000	1,254,336,730	-292,139,270
Funding	5,360,131,000	5,520,131,000	5,142,594,303	-377,536,697
Total Budgeted Inflows	10,135,216,000	10,645,216,000	9,805,393,994	-839,822,006
OUTFLOWS				
Employee Compensation	2,593,470,850	2,658,441,777	2,635,302,563	-23,139,214
Use of Goods and Services	406,721,350	488,608,541	456,156,984	-32,451,557
Interest	470,000,000	470,000,000	397,585,675	-72,414,325
Financial Aid	143,687,000	350,581,241	300,325,500	-50,255,741
Grants	194,035,000	229,977,759	213,497,124	-16,480,635
Social Benefits	936,132,000	991,132,000	969,802,172	-21,329,828
Other Payments	71,188,800	90,238,054	82,571,011	-7,667,043
Nonfinancial Asset Expenditures	644,957,000	691,212,628	652,783,026	-38,429,602
Loan Repayments	4,675,024,000	4,675,024,000	4,212,692,898	-462,331,102
Total Budgeted Outflows	10,135,216,000	10,645,216,000	9,920,716,952	-724,499,048
BUDGET DEFICIT DURING PERIOD	0	0	-115,322,958	-115,322,958

**The Hashemite Kingdom of Jordan
Cash Receipts and Payments Summary
For Budgetary Entities Only
Year Ended December 31, 2010**

(in Jordan Dinars)	Funds	Treasury	Total	Payments by Third Parties
CASH RECEIPTS				
Taxes				
Grants				
Pensions				
Other Receipts				
Funding				
Total Cash Receipts	(TO BE DEVELOPED)			
CASH PAYMENTS				
Employee Compensation				
Use of Goods and Services				
Interest				
Financial Aid	(TO BE DEVELOPED)			
Grants				
Social Benefits				
Other Payments				
Nonfinancial Asset Expenditures				
Loan Repayments				
Total Cash Payments				
Change in Cash during Year	-77,773,759	79,081,891	1,308,132	
Cash at Beginning of Year	80,126,962	139,864,003	219,990,965	
Cash at End of Year	2,353,203	218,945,894	221,299,097	
Increase in Cash During Period			1,308,132	
Budget Deficit During Period			115,322,958	
Budgeted funds expended but not yet paid			114,014,826	

Notes to the Financial Statements for the Hashemith Kingdom of Jordan

1. Accounting Policies

- a. **Basis of preparation**—The financial statements have been prepared in accordance with the Cash IPSAS for Financial Reporting. The accounting policies have been applied consistently throughout the period.
 - b. **Reporting entity**—The financial statements are for budgetary entities in the national government of the Hashemith Kingdom of Jordan. The consolidated financial statements include all entities controlled during the year. A list of significant controlled entities is shown in Note 7 to the financial statements. The financial statements encompass the reporting entity as specified in the relevant legislation (Public Finance Act ?). This comprises:
 - i. Central government ministries; and
 - ii. Government business enterprises and trading funds under the control of the entity.
 - c. **Payments by Third Parties**—The government also benefits from goods and services purchased on its behalf as a result of cash payments made by third parties during the period by way of loans and contributions. The payments made by the third parties do not constitute cash receipts or payments by the government but do benefit the government. They are disclosed in the Payments by third parties column in the Consolidated Statement of Cash Receipts and Payments and other financial statements.
 - d. **Reporting currency**—The reporting currency is Jordan Dinar.
2. **Cash**—Cash comprises cash on hand, demand deposits and cash equivalents. Demand deposits and cash equivalents consist of balances with banks and investments in short-term money market instruments. However, there are no short-term money market instruments at this time but some may be added in the future. Cash included in the statement of cash receipts and payments comprise the following amounts:
- | (in thousands of Jordanian Dinars) | 2009 | 2010 |
|--------------------------------------|---------|----------|
| Cash on hand and balances with banks | 80 mil | 23,5 mil |
| Short-term investments | 0 | 0 |
| Public Treasury Account | 139 mil | 218 mil |
3. **Other Receipts**—Included in other receipts are fees, fines, penalties and miscellaneous receipts.
4. **Other Payments/Expenditure**—Included in other payments are dividends, distributions paid, legal settlements of lawsuits and miscellaneous payments.
5. **Unliquidated Obligations (optional)**
The total unliquidated obligations as of 31 December 2011 were ??.
6. **Accrued Interest Payable on Outstanding Debt (MOF Public Debt Directorate)**
The total accrued interest payable as of 31 December 2011 was ??.

7. Accounts Payable (arrearages tracked at each line entity)

The total accounts payable as of 31 December 2011 was ??.

8. Advances

The total advances as of 31 December 2010 were 736 million. The details associated with material advances were as follows: ??

9. Trusts

The total cash in the trust accounts as of 31 December 2010 was 883 million. The details associated with material trusts were as follows: contributors, outstanding balances, and any restrictions as to their use.

10. Undrawn Borrowing Facilities Other than Undrawn External Assistance

(See note 13 for undrawn external assistance)

(in thousands of Jordanian Dinars)	1.1.2010	31.12.2010
Movement in Undrawn Borrowing Facilities		
Undrawn borrowing facilities at 1.1.2010	0	0
Additional loan facility	0	0
Total available	0	0
Amount drawn	0	0
Facility closure/cancellations	0	0
Undrawn borrowing facilities at 31.12.2010	0	0
 (in thousands of Jordanian Dinars)	 2011	 2010
Undrawn Borrowing Facilities		
Commercial Financial Institutions	0	0
Total undrawn borrowing facilities	0	0

11. Significant Controlled Entities

Ministry of Finance
Ministry of Education
Ministry of Health
Ministry of Public Works and Housing

12. Original and Final Approved Budget and Comparison of Actual and Budget

Amounts—The approved budget is developed on the same accounting basis (cash basis), same classification basis, and for the same period (from 1 January 2011 to 31 December 2011) as for the financial statements. It encompasses the same entities as the consolidated financial statement – these are identified in Note 11 above. The original budget objectives and policies, and subsequent revisions are explained more fully in the Operational Review and Budget Out-turn Report (?) issued in conjunction with the financial statements. The original budget was approved by legislative action on (date ?) and supplemental appropriations of 45 million for the Ministry of Health was approved by legislative action on (date ?) due to the following reason:

- Expand health insurance umbrella (social assistance)

In total, actual expenditures did not exceed the final budget but there were some functions that did exceed the final budget. Material differences were due to the following reason:

- Expenditures control policy

13. External Assistance

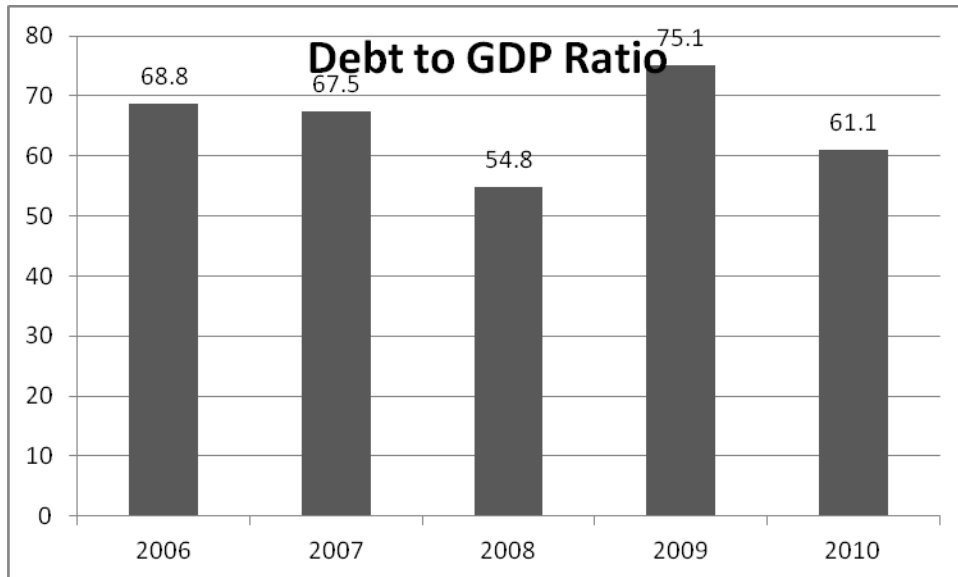
- a. Payments by Third Parties**—All payments made by third parties are made by third parties which are not part of the economic entity.
- b. External Assistance**—External assistance was received in the form of loans and grants from multilateral and bilateral donor agencies under agreements specifying the purposes for which the assistance will be utilized. The following amounts are presented in Jordanian Dinars:

	4/2011 Total	2010 Total
Loan Funds		
Multilateral Agencies	2077,98	2120,8
Bilateral Agencies	2650,90	2618,2
Other	1051,02	1039,7
Total	5779,90	5778,7
Grant Funds		
Multilateral Agencies	X	X
Bilateral Agencies	X	X
Other		
Total	X	X
Total External Assistance	X	X

- c. Non Compliance with significant terms and conditions and rescheduled and cancelled debt**—There have been no instances of non compliance with terms and conditions which have resulted in cancellation of external assistance loans. External assistance grants of X domestic currency units were cancelled during the reporting period. The cancellation resulted from over estimation of the cost of specified development projects and consequentially expenditure of an amount less than that committed for the period by the donor entity.
- d. Undrawn External Assistance**—Undrawn external assistance loans and grants at reporting date are amounts specified in a binding agreement which relate to funding for projects currently under development, where conditions have been satisfied, and their ongoing satisfaction is highly likely, and the project is anticipated to continue to completion. The significant terms and conditions that determine or affect access to the amount of undrawn assistance relate to the achievement of the following specified construction targets for development of medical and education infrastructure.

	Loans 4/2011	Grants 2011	Loans 2010	Grants 2010
Closing balance in reporting currency	897,8	X	939,9	X

14. The Public Debt to Gross Domestic Product (GDP) ratios for the past five years are shown below:



15. **Authorization Date**—The financial statements were authorized for publication on 30 April 2012 by Dr. Mohammad Abu Hammour, the Minister of Finance for the Hashemite Kingdom of Jordan.